*No. Fl.* 4362—*Ex.* 52-25-17, *dated* 3rd *February* 1926.

Tenders in the form hereto appended are hereby invited for the exclusive privilege of the *Manufacture of Arrack and other Country Spirits* for supply to the territories of Mysore, for a period of three years from 1st July 1926 to 30th June 1929.

2. The contract for the Civil and Military Station of Bangalore is included in this contract with the permission of the Hon'ble the Resident in Mysore.

3. The privilege for which tenders are now invited will be conceded, subject to the conditions specified in para 8 of this notification and to the Excise Laws passed by the Government and the rules in force in Mysore and to the Excise Law in force for the time being within the Civil and Military Station of Bangalore.

4. The quantity of arrack required is estimated at about 35,000 gallons a month, the quantity actually issued from the Bangalore Central Distillery in the year 1924-25 having been 3,47,456 gallons. No quantity is, however, guaranteed to the manufacturer, who is bound by actual requirements, be the same more or less than the estimated quantity.

5. Tenderers must specify the lowest rate per gallon of 35° U. P. separately for sugarcane jaggory arrack, and for molasses arrack as also per gallon of the marginally noted kinds of liquors, at which they offer to supply during the whole period of the contract. They should also quote rates separately for bottling in quart and pint bottles and for packing the marginally noted kinds of liquors.

| | |
|---|---|
| 1. Brandy | 20° U. P. |
| 2. Whisky | ,, |
| 3. Gin | ,, |
| 4. Rum | ,, |
| 5. Milk punch | ,, |
| 6. Bottled Jaggory Arrack | 35° U. P. |
| 7. Rectified Spirit | 60° O. P. |
| 8. Proof Liquor | —— |
| 9. Denatured Spirits | 60° O. P. |
| 10. D. D. Rum | 25° U. P. |

6. Each tender must be accompanied by a deposit of Rs. 5,000 in cash or in Government securities, of equivalent value, duly endorsed in favour of "The Dewan of Mysore," and enclosed in a cover superscribed with the words "Tender for the exclusive privilege of the Manufacture of Country Spirits," and must be sent to the Excise Commissioner at Bangalore, so as to reach him before noon on Tuesday the 16th March 1926, after which date no tender will be received. The tenders will be opened by the Excise Commissioner at his office in Bangalore at 12 o'clock noon on the 16th March 1926, in the presence of such of the applicants as may be present. The final disposal of tenders will rest with the Government, who reserve to themselves full power to reject any or all of the tenders without assigning any reason. The deposits made by the applicants whose tenders are rejected will be returned to them on their application.

7. The applicant whose tender may be finally accepted by the Government, shall, within eight days of the acceptance of his tender being communicated to him, deposit at the State Huzur Treasury, Bangalore, a further sum in cash, or Government securities which shall be accepted at the market value, duly endorsed in favour of "The Dewan of Mysore," to make up with the deposit previously made, the sum of Fifty Thousand Rupees, and shall execute an agreement in the form prescribed on proper stamp, offering as additional security all his apparatus, stock and block in the Distillery, and binding himself to conform to the conditions hereinafter set forth, and if he fails or refuses to either make the deposit or sign the agreement required within such period, the deposit already made by him will be forfeited to Government, and the contract otherwise disposed of.

8. The contract for which tenders are now invited shall be subject to the following conditions, namely :—

(1) The contractor shall manufacture arrack and other country spirits within the enclosure of the Government Central Distillery, near Bangalore, or at such other place as may be approved by Government. For the use of the Distillery buildings near Bangalore and also for the arrangements existing in connection with the water supply, the contractor shall pay such rent to Government as may be fixed by the Chief Engineer from time to time, which will include the interest and depreciation charges for the installation of electric lights made to the distillery building. The rent at present is Rs. 1,156 per mensem.

(2) Such improvement or addition to the said buildings, or water supply or electric lighting and power as may be approved by Government will be carried out at Government cost subject to the payment by the contractor of such additional rent or rate as may be fixed by Government, and such repairs to the distillery buildings and channels as may be pointed out by the Executive Engineer shall also be promptly executed by the contractor provided the annual cost of such repairs does not exceed Rs. 50.

(3) The recurring monthly charges consisting of the cost of the electric power consumed and depreciation charges at 5 per cent of the initial cost shall be borne by Government and the contractor, in the proportion of 1 to 2 for the portions of the buildings in the occupation of each until a separate meter is provided for the consumption of power in the portion occupied by Government, (*viz.*, the Resident Inspector's quarters, the ganja warehouse and the Guard Room), when the cost of the power consumed will be borne by each. The cost of the renewal of lamps, bulbs, etc., shall be borne by the contractor in the portion of the building occupied by him.

(4) The contractor shall keep in store at the Central Distillery, ordinarily a supply of ordinary arrack sufficient for a month's consumption (35,000 gallons) and never less than 25,000 gallons (of admissible spirits) in terms of 35° U. P. and also a month's supply of other kinds of liquors.

(5) The spirits manufactured shall be of good quality and Hesaraghatta filtered water or distilled water shall be invariably used at the distillery under the supervision of the Distillery Officer for reducing spirits to the authorised strength. Hesaraghatta filtered water shall be supplied by Government and will be under the control of the Distillery Officer. Its use is limited to the reduction of the spirits only. The articles used in distilling will be approved by the said officer. No ingredients obnoxious to health will be used in distilling or put into the arrack or other country spirits or special liquors whether before or after they are manufactured. The spirits manufactured shall not be adulterated or diluted save by the addition of Hesaraghatta or distilled water, as the case may be, for the purpose of reducing the strength to the authorised degree.

(6) In outlying tracts where, owing to small consumption or other causes, there is reason to suspect illicit distillation, Government will be at liberty to establish outstills after giving the manufacturers the first refusal of so doing. Government may also permit any person or persons to distil or purchase elsewhere alcohol for industrial or medicinal purposes, if the contractor is unable to supply the same at the same price as that charged in the adjoining British Indian Provinces.

(7) The contractor shall issue at the Government Central Distillery to the Senior Government Officer in charge thereof, such quantity of arrack and other kinds of country spirits as may be indented for by him for supply, (i) to such Bonded Depots as Government may from time to time establish and maintain within the State, (ii) to such other places or persons or institutions as may be directed by the Excise Commissioner, and (iii) to the Government Excise Warehouse in the Civil and Military Station, Bangalore, in compliance with indents received from the Superintendent of Excise, Civil and Military Station, Bangalore.

(8) Arrack supplied to the Civil and Military Station, Bangalore, will not be paid for in advance, but once in a fortnight on receipt of bills from the contractor to be submitted to the Collector, Civil and Military Station, through the Superintendent of Excise. In the case of issues made to the State, the Distillery Officer will issue a cheque on the Officer in charge, State Huzur Treasury, Bangalore, to the contractor and in his favor for the value of arrack and other country spirits, if any, issued.

(9) The contractor will supply at the Distillery, special liquors, and other kinds of bottled liquors, *viz.*, jaggory arrack, denatured spirits and rectified spirits on the indents received from the respective licensees and recover the value thereof from the parties direct. The cost of carriage on bottled liquors will be payable by the shopkeepers themselves.

(10) Should the contractor be permitted with the approval of Government at any time during the tenure of his contract, to supply country spirits manufactured in the Central Distillery to Coorg, or any other place outside the limits of the Mysore State, such proportionate cost towards the Distillery Establishment as may be fixed by the Excise Commissioner shall be paid by the contractor.

(11) The bulk of the arrack required shall always be of the ordinary sort, *i.e.*, sugar-cane jaggory or molasses arrack and the contractor shall be bound to supply such arrack at such strength and in such quantities as may be prescribed by the Excise Commissioner; and the rates to be paid shall be calculated proportionately upon the prices of 35° U. P. If to meet the demand for the quantity of molasses arrack prescribed under this clause by the Excise Commissioner, the contractor shall supply sugar-cane jaggory arrack, he will not ordinarily be entitled to claim the higher rate prescribed for jaggory arrack. When, however, the contractor is unable to supply the molasses arrack at any time on account of causes beyond his control and is obliged to supply jaggory arrack instead, he may submit a representation for payment at the higher rate payable for the latter and any such representation will receive due consideration, and the orders of Government fixing the rate shall be final. When arrack is supplied to Bonded Depots at a strength stronger than 35° U. P., payment will be made as if the strength of the arrack was 35° U. P.

(12) The contractor is also bound to manufacture and supply to the licensees special liquors, rectified spirits and other kinds in bottles (more or less) of 8⅓ drams (6 bottles to a gallon) or pints (12 bottles to a gallon). Except when otherwise required, the bottles containing liquors shall be duly corked and sealed and shall also be labelled so as to notify the price of the bottle if required. These should be delivered duly packed in deal wood cases, wired and nailed, as may be ordered by the Excise Commissioner. (No bottling or packing charges shall be claimed when supply is made in bulk or in bottles produced by the licensed shop keepers).

(13) The contractor shall always keep an adequate supply of such bottles and packing materials, failing which he will be held responsible for any loss that may accrue to Government and to the licensees and shall also be liable to a penalty not exceeding Rs. 100 for each day's deficiency.

(14) The manufacturer shall have no interest in the retail vend of any country spirits, nor shall he employ as agent or in other capacity in the distillery any such persons having such interests.

(15) The contractor shall submit for the approval of the Excise Commissioner, the names of persons employed by him as Manager and Distillers in the distillery and no person not thus approved shall be permitted to act in these capacities. He will be bound to remove at once, if so ordered, any of his employees whose conduct is found to be suspicious, or who is drunk, or riotous or is in illicit possession of liquor.

(16) The contractor should keep the premises of the Distillery always clean and in sanitary condition. He should make his own arrangements for cleaning the premises and removing the ashes from the boiler and the broken bottles, etc., from the Distillery every day.

(17) The contractor, his agent and employees shall be bound to conform to the provisions of the Excise Laws and Rules for the time being in force or which may hereafter be enacted from time to time in the State of Mysore and in the Civil and Military Station of Bangalore; and he shall see that all his employees give full effect to them.

(18) The outgoing contractor shall give, and the incoming contractor shall take over, any arrack or other country spirits and special liquors not exceeding a month's supply which may remain as stock in hand on the last day of the expiring contract, the latter paying the former for the same, such value as may be fixed by the Excise Commissioner.

(19) Should the incoming contractor or the Excise Commissioner so require by at least one week's previous notice in writing, the outgoing contactor shall cease preparing "wash" during the last month of his expiring contract and vacate the building so as to admit of the incoming contractor commencing operations. Should no notice be given, the outgoing contractor may continue distilling till the end of his contract after which further distillation by him must cease. The incoming manufacturer shall issue arrack and other country spirits and other special liquors from the distillery to the Bonded Depots, if so required by the Excise Commissioner in sufficient time (not exceeding two weeks prior, to the commencement of his contract) to have his supplies ready in all Bonded Depots for issue from the 1st July of the year of his contract.

(20) The outgoing contractor shall sell and the incoming contractor shall buy all apparatus and stock and block belonging to the former at the Government Central Distillery near Bangalore, for a fair and equitable price fixed by the Excise Commissioner, calculating the original cost and deducting therefrom such portion of it on account of depreciation as may be considered reasonable and adding the cost of permanent improvements. The cost of permanent improvements during the period of contract will be such as may be fixed by the Excise Commissioner. The Excise Commissioner will also fix the method of calculating depreciation of machinery and the percentage of depreciation. His decision in respect of fixing the cost shall be final. The present valuation will be notified separately. The last valuation was Rs. 1,11,650-3-6.

(21) Improvements of a permanent nature shall be retained and shall not be disturbed except with the approval of the Executive Engineer, Bangalore Division.

(22) In case of breach of any of the above conditions, Government will be at liberty to cancel the contract and to declare the deposit made by the contractor and all his apparatus and stock and block forfeited and also to recover from the defaulting contractor such further loss as may be occasioned by such breach.

(23) The contract shall not be transferable except with the approval of the Government of Mysore.

(24) Government reserve to themselves the power of altering the rates of duty and price, it being distinctly understood that the contractor shall not be entitled to claim any compensation for loss on account of such alteration. Government may also, during the currency of the contract, make alterations in the strength of liquors to be supplied either in regard to the whole contract area or any part thereof, when the rates originally agreed upon will be proportionately altered.

(25) All sums due by the contractor to Government under this contract shall be recoverable as arrears of land revenue.

## APPENDIX I.

Table showing the particulars of spirits issued from the Government Central Distillery during the past three years.

| Kind of liquors | 1922-23 | 1923-24 | 1924-25 |
|---|---|---|---|
| | Gallons | Gallons | Gallons |
| Molasses arrack—State ... | 2,79,791 | 2,58,552 | 2,55,971 |
| Do C. & M. Station ... | 80,425 | 80,085 | 73,972 |
| Jaggery arrack ... ... | 2,899 | 3,570 | 4,641 |
| Special liquors—State ... ... | 9,463 | 7,959 | 8,746 |
| Do (D. D. Rum) C. & M. Station ... | 1,908 | 1,488 | 1,020 |
| Proof spirit ... ... | 142 | 68 | 85 |
| Rectified spirits—State ... | 2,354 | 2,438 | 2,228 |
| Do C. & M. Station ... | 64 | 36 | 26 |
| Methylated spirits—State ... | 1,285 | 1,081 | 767 |
| Do C. & M. Station ... | | | |
| Total ... | 3,78,331 | 3,55,277 | 3,47,456 |

## APPENDIX II.

FORM OF TENDER.

To

The Excise Commissioner in Mysore, Bangalore.

Sir,

With reference to the Government Notification No. FI. dated published in the *Mysore Gazette*, I beg to tender for the exclusive privilege of the *manufacture of arrack and other country spirits* for the Territories of Mysore and the Civil and Military Station, Bangalore, for a period of three years from 1st July 1926, to 30th June 1929, subject to the terms and conditions specified in the notification above quoted.

2. I hereby offer to manufacture and supply for the entire period of the contract arrack of the strength of 35° under-proof and special liquors of 20° U. P. and other spirits as per particulars below :—

| Arrack. | Rate per gallon of 35° under proof. Rs. a. p. |
|---|---|
| Molasses arrack ... ... ... | |
| Sugar-cane jaggery arrack ... | |

| Special liquors | Rate per gallon | Bottling charges per gallon | | Packing charges per gallon |
|---|---|---|---|---|
| | Rs. a. p. | Quarts | Pints | |
| Brandy ... 20° U. P. | | | | |
| Whisky ... ... " | | | | |
| Gin ... ... " | | | | |
| Rum ... ... " | | | | |
| Milk punch ... ... " | | | | |
| Proof spirit ... — | | | | |
| Rectified spirits ... 60° O. P. | | | | |
| Denatured spirits ... 60° O. P. | | | | |
| Sugar-cane jaggory ... | | | | |
| Arrack in bottes ... 35° U. P. | | | | |
| D. D. Rum ... 25° U. P. | | | | |

3. I enclose.....for Rs. 5,000 as required by para 6 of the said notification.

I beg to remain,

Sir,

Your most obedient servant,